

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6556

BILL NUMBER: SB 470

NOTE PREPARED: Dec 19, 2012

BILL AMENDED:

SUBJECT: Worker's Compensation.

FIRST AUTHOR: Sen. Tallian

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL
X DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: *Reimbursement Rates:* The bill requires the Worker's Compensation Board, not later than January 1, 2014, to adopt rules to establish the reimbursement rates for charges for medical services, treatment, and supplies provided by a medical services facility to an employee for purposes of determining the pecuniary liability of an employer or an employer's insurance carrier for a specific service, treatment, or supply covered under worker's compensation or occupational diseases compensation.

Benefits: The bill increases benefit amounts for injuries and disablements occurring on and after July 1, 2013.

Effective Date: July 1, 2013.

Explanation of State Expenditures: *Reimbursement Rates:* The source of funds and resources required to adopt the rules and establish the Worker's Compensation rates as prescribed in the bill will depend on the administrative action of the Worker's Compensation Board.

Benefits: The bill increases the maximum average weekly wages used in calculating Worker's Compensation benefits from \$975 to \$1,170. The bill also increases the maximum benefit amount (exclusive of medical benefits) from \$325,000 to \$390,000.

In addition, the bill increases the benefit amounts for permanent partial impairment.

Degree of Permanent Impairment	\$ for Each Degree (Current Law)	\$ for Each Degree (As Proposed)
1-10	\$1,400	\$1,680
11-35	\$1,600	\$1,920
36-50	\$2,700	\$3,240
51+	\$3,500	\$4,200

The impact on the state due to this bill is as an employer.

Background Information: State expenditures for Worker's Compensation benefits in FY 2012 were \$2.2 M.

Explanation of State Revenues:

Explanation of Local Expenditures: The impact on local units due to this bill is as an employer.

Explanation of Local Revenues:

State Agencies Affected: Workers Compensation Board.

Local Agencies Affected:

Information Sources: Indiana Auditor of State Database.

Fiscal Analyst: Stephanie Wells, 232-9866.